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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/2007

SPONSOR R. J. Gonzales LAST UPDATED _____ HB 264

SHORT TITLE NEW MEXICO-GROWN PRODUCE IN SCHOOL LUNCHES SB _____

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$1,440.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 90.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

New Mexico Department of Health (DOH)

New Mexico Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 264 appropriates \$1,440,000 from the General Fund to the Board of Regents of New Mexico State University for the New Mexico Department of Agriculture for expenditure in FY 2008 to purchase New Mexico-grown fresh fruits and vegetables and to administer a program ensuring that such fresh fruits and vegetables are delivered to school lunch programs statewide

FISCAL IMPLICATIONS

The appropriation of \$1.44 million contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of a FY 2008 shall revert to the General Fund.

SIGNIFICANT ISSUES

House Bill 264 is supported by the New Mexico Task Force to End Hunger. A goal in both the Department of Health Strategic Plan and the Governor’s Performance and Accountability Contract “A Healthy New Mexico” is to reduce child and adolescent obesity and diabetes in all populations. and vegetables. The essence of this bill has been presented to the Legislative Finance Committee and is a priority of the Rural Economic Development and Telecommunications Legislative Interim Committee as well as the Health and Human Services Legislative Interim Committee.

Funds for this program are supported by Governor Richardson, but at the level of \$965,500.

RELATIONSHIP

House Bill 264 relates to SB 90 which provides for expenditures in FY 2008 and subsequent years without the reversion of unexpended or unencumbered balances at the end of FY 2008.

OTHER SUBSTANTIVE ISSUES

The United States Department of Agriculture (USDA) has piloted a similar program, entitled the USDA Fruit and Vegetable Pilot Program. Almost all schools participating in USDA’s Fruit and Vegetable Pilot Program (FVPP) consider the program to be very successful and would like the pilot to continue. The Nutrition Title of the 2002 Farm Act provided \$6 million to the FVPP for the 2002-2003 school years to improve fruit and vegetable consumption among the Nation’s school children. The FVPP provided fresh and dried fruits and fresh vegetables free to children in 107 elementary and secondary schools, including seven schools in the Zuni Indian Tribal Organization in New Mexico.

BM/nt